
LEGISLATIVE PROPOSAL: Restrictions on Activities Related to Title 10, Chapter 18, Municipal Cable Television and Public Telecommunications Services Act

The following outlines possible provisions in legislation restricting certain activities permitted under Title 10, Chapter 18, Municipal Cable Television and Public Telecommunications Services Act (Act), and is not a comprehensive analysis of that legislation. For more information, please contact the Office of Legislative Research and General Counsel.

Prohibit new nonpledging members

A municipality may not join an interlocal entity engaging in activities authorized by the Act without pledging sales and use tax revenues to secure bonds or other indebtedness of the interlocal entity

Prohibit adding a new member until "build-out" complete

An interlocal entity engaging in activities authorized by the Act is required to meet its obligation to provide infrastructure to current pledging members before the interlocal entity may add a new member

- "Built out" would mean to have fiber optics available for use by every residential and business location in a pledging member municipality as contemplated on the day on which the municipality joins the interlocal entity
- An interlocal entity may not provide services or infrastructure to an existing nonpledging member of an interlocal entity until the interlocal entity meets its obligation to pledging members

Require vote by registered voters to add a new member

A vote by the registered voters of all pledging members in an interlocal entity is required before the interlocal entity may add a new member

- A vote on the ballot proposition would be allowed only at a regular general or
- A municipality may be added only if the majority of voters in each municipality that is a pledging member of the interlocal entity at the time of the vote approves the addition of the municipality
- The interlocal entity would notify the legislative body of each pledging member of the interlocal entity of the need for a vote

- The legislative body of each municipality would determine if it wants to submit the ballot proposition to a vote of its citizens
- Each addition of a municipality requires a separate vote, *e.g.*, if three cities want to join at the same time, each would have a separate ballot proposition
- The basic process for a local ballot proposition under Title 20A, Election Code, would be followed and statute would establish the format of the ballot proposition
- Municipalities participating in the vote will not be able to recover the costs of the vote from the interlocal entity